

The New Washington State Electronic Product Recycling Law ESSB 6428

Electronic Product Recycling
Advisory Panel Meeting

June 6, 2006



Background

2004 Legislative Direction to Washington Department of Ecology ESHB 2488

**“...develop recommendations for
implementing and financing an electronic
product collection, recycling, and reuse
program.”**

**“...computer monitors, personal computers,
and televisions...”**



ESSB 6428 Basics

- **Product manufacturers** provide free recycling services throughout the state at no charge to the product owner.
- **No state tax or fee** charged to the consumer at point of purchase or end of life.
- **Covered Products** - computers, computer monitors, laptop computers and televisions.
- **Implementation Date** - January 1, 2009



ESSB 6428 Basics

- Other key dates:
 - January 1, 2007 - Manufacturer registration and Ecology fees paid
 - June 1, 2007 – Ecology announces return share
 - February 1, 2008 – Plans are due to Ecology
 - January 1, 2009 – Required implementation date



Service Level

- Any household, charity, school district, small business, or small government located in Washington State
- One collection point in every city with a population of 10,000 or more and at least one in every county.
- Collection, transportation and processing costs are covered for electronic products from households.
- Processing costs are covered, at a minimum, for charities, school districts, small businesses and small governments.



Manufacturer Responsibility

- **Cost Internalization** - Internalizes costs within product pricing structure of individual manufacturers.
- **Manufacturer Registration** – All manufacturers must register annually and participate in an approved plan.
- **Manufacturer Plans** – Manufacturers must be members of the standard plan or may participate in an approved independent plan.
- **New Entrants** - manufacturers that are new entrants in the electronic products market must be members of the standard plan.



The Standard Plan

- Operated by the Materials Management and Financing Authority
 - Quasi-governmental Third Party Organization
 - All manufacturers selling into the State must participate
 - Board appointed by Department of Ecology
 - All costs of MMFA and plan implementation shared among member manufacturers



Independent Plans

- Independent plans are allowed if approved by Ecology
 - Must have minimum of 5% return share by brand (can be multiple manufacturers)
 - Must have sold branded computers in State for minimum of 5 years, 10 years for TVs
- Must meet same service and other requirements as Standard Plan



Responsibilities of Each Plan

- **Sharing Responsibility** - Manufacturer responsibility based on percentage of branded products returned in the prior year
- **Division of responsibility** between Standard Plan and independent plans based on “equivalent share”
 - Return share based on annual sorts
 - Applied to total pounds collected statewide each year
 - Covers orphans



Responsibilities of Each Plan

- **Orphans** - Orphan and non-branded product responsibility is shared among plans
- **Encourages High Performance** – Plans that recycle a greater portion of returned products than others will be compensated by the under performing plans



Creating a Competitive Playing Field

- **Relies on Market Economy** - Emphasizes competition between manufacturers & puts our market based economy to work for the environment.
- All plans pay their own costs directly
- When one plan out performs another it is compensated by the underperformer.



Other Highlights

- Plans can buy, sell and trade poundage with each other prior to leveling process.
- Plans working with non-profit reuse organizations get additional 5% credit for poundage from those charities
- Retailers that import directly (from manufacturers with no US presence) or house brand are manufacturers by definition



Other Highlights

- **No Disposal Ban** - 43% population currently under local disposal bans and more coming
- **Processing Standards** - required
- **Exports** – Export standards are described and administrative rules related to export of products are required
- **Labor** - Prison labor can not be used to process collected products
- **No Goals** - The equivalent share method sets goals annually. Overall effectiveness measured by tracking equivalent share performance



The Washington State Approach

- Puts businesses in driver's seat for business decisions
- Uses incentives, competition and the market economy to drive system, not prescriptive targets or government run programs
- Addresses vast majority of stakeholder concerns
- A fair, progressive approach that will get the job done!

